

1-1 By: Hegar S.B. No. 1073
1-2 (In the Senate - Filed March 4, 2013; March 12, 2013, read
1-3 first time and referred to Committee on Intergovernmental
1-4 Relations; April 4, 2013, reported favorably by the following
1-5 vote: Yeas 5, Nays 0; April 4, 2013, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	<u>Hinojosa</u>	X		
1-9	<u>Nichols</u>	X		
1-10	<u>Garcia</u>	X		
1-11	<u>Paxton</u>	X		
1-12	<u>Taylor</u>	X		

1-13 A BILL TO BE ENTITLED
1-14 AN ACT

1-15 relating to the creation of the Harris County Municipal Utility
1-16 District No. 534; providing authority to impose a tax and issue
1-17 bonds; granting a limited power of eminent domain.

1-18 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-19 SECTION 1. Subtitle F, Title 6, Special District Local Laws
1-20 Code, is amended by adding Chapter 8438 to read as follows:

1-21 CHAPTER 8438. HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 534

1-22 SUBCHAPTER A. GENERAL PROVISIONS

1-23 Sec. 8438.001. DEFINITIONS. In this chapter:

1-24 (1) "Board" means the district's board of directors.

1-25 (2) "Commission" means the Texas Commission on
1-26 Environmental Quality.

1-27 (3) "Director" means a board member.

1-28 (4) "District" means the Harris County Municipal
1-29 Utility District No. 534.

1-30 Sec. 8438.002. NATURE OF DISTRICT. The district is a
1-31 municipal utility district created under Section 59, Article XVI,
1-32 Texas Constitution.

1-33 Sec. 8438.003. CONFIRMATION AND DIRECTORS' ELECTION
1-34 REQUIRED. The temporary directors shall hold an election to
1-35 confirm the creation of the district and to elect five permanent
1-36 directors as provided by Section 49.102, Water Code.

1-37 Sec. 8438.004. CONSENT OF MUNICIPALITY REQUIRED. The
1-38 temporary directors may not hold an election under Section 8438.003
1-39 until each municipality in whose corporate limits or
1-40 extraterritorial jurisdiction the district is located has
1-41 consented by ordinance or resolution to the creation of the
1-42 district and to the inclusion of land in the district.

1-43 Sec. 8438.005. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.

1-44 (a) The district is created to serve a public purpose and benefit.

1-45 (b) The district is created to accomplish the purposes of:

1-46 (1) a municipal utility district as provided by
1-47 general law and Section 59, Article XVI, Texas Constitution; and

1-48 (2) Section 52, Article III, Texas Constitution, that
1-49 relate to the construction, acquisition, improvement, operation,
1-50 or maintenance of macadamized, graveled, or paved roads, or
1-51 improvements, including storm drainage, in aid of those roads.

1-52 Sec. 8438.006. INITIAL DISTRICT TERRITORY. (a) The
1-53 district is initially composed of the territory described by
1-54 Section 2 of the Act enacting this chapter.

1-55 (b) The boundaries and field notes contained in Section 2 of
1-56 the Act enacting this chapter form a closure. A mistake made in the
1-57 field notes or in copying the field notes in the legislative process
1-58 does not affect the district's:

1-59 (1) organization, existence, or validity;

1-60 (2) right to issue any type of bond for the purposes
1-61 for which the district is created or to pay the principal of and

2-1 interest on a bond;
 2-2 (3) right to impose a tax; or
 2-3 (4) legality or operation.

2-4 SUBCHAPTER B. BOARD OF DIRECTORS

2-5 Sec. 8438.051. GOVERNING BODY; TERMS. (a) The district is
 2-6 governed by a board of five elected directors.

2-7 (b) Except as provided by Section 8438.052, directors serve
 2-8 staggered four-year terms.

2-9 Sec. 8438.052. TEMPORARY DIRECTORS. (a) On or after the
 2-10 effective date of the Act enacting this chapter, the owner or owners
 2-11 of a majority of the assessed value of the real property in the
 2-12 district may submit a petition to the commission requesting that
 2-13 the commission appoint as temporary directors the five persons
 2-14 named in the petition. The commission shall appoint as temporary
 2-15 directors the five persons named in the petition.

2-16 (b) Temporary directors serve until the earlier of:

2-17 (1) the date permanent directors are elected under
 2-18 Section 8438.003; or

2-19 (2) the fourth anniversary of the effective date of
 2-20 the Act enacting this chapter.

2-21 (c) If permanent directors have not been elected under
 2-22 Section 8438.003 and the terms of the temporary directors have
 2-23 expired, successor temporary directors shall be appointed or
 2-24 reappointed as provided by Subsection (d) to serve terms that
 2-25 expire on the earlier of:

2-26 (1) the date permanent directors are elected under
 2-27 Section 8438.003; or

2-28 (2) the fourth anniversary of the date of the
 2-29 appointment or reappointment.

2-30 (d) If Subsection (c) applies, the owner or owners of a
 2-31 majority of the assessed value of the real property in the district
 2-32 may submit a petition to the commission requesting that the
 2-33 commission appoint as successor temporary directors the five
 2-34 persons named in the petition. The commission shall appoint as
 2-35 successor temporary directors the five persons named in the
 2-36 petition.

2-37 SUBCHAPTER C. POWERS AND DUTIES

2-38 Sec. 8438.101. GENERAL POWERS AND DUTIES. The district has
 2-39 the powers and duties necessary to accomplish the purposes for
 2-40 which the district is created.

2-41 Sec. 8438.102. MUNICIPAL UTILITY DISTRICT POWERS AND
 2-42 DUTIES. The district has the powers and duties provided by the
 2-43 general law of this state, including Chapters 49 and 54, Water Code,
 2-44 applicable to municipal utility districts created under Section 59,
 2-45 Article XVI, Texas Constitution.

2-46 Sec. 8438.103. AUTHORITY FOR ROAD PROJECTS. Under Section
 2-47 52, Article III, Texas Constitution, the district may design,
 2-48 acquire, construct, finance, issue bonds for, improve, operate,
 2-49 maintain, and convey to this state, a county, or a municipality for
 2-50 operation and maintenance macadamized, graveled, or paved roads, or
 2-51 improvements, including storm drainage, in aid of those roads.

2-52 Sec. 8438.104. ROAD STANDARDS AND REQUIREMENTS. (a) A
 2-53 road project must meet all applicable construction standards,
 2-54 zoning and subdivision requirements, and regulations of each
 2-55 municipality in whose corporate limits or extraterritorial
 2-56 jurisdiction the road project is located.

2-57 (b) If a road project is not located in the corporate limits
 2-58 or extraterritorial jurisdiction of a municipality, the road
 2-59 project must meet all applicable construction standards, zoning and
 2-60 subdivision requirements, and regulations of each county in which
 2-61 the road project is located.

2-62 (c) If the state will maintain and operate the road, the
 2-63 Texas Transportation Commission must approve the plans and
 2-64 specifications of the road project.

2-65 Sec. 8438.105. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE
 2-66 OR RESOLUTION. The district shall comply with all applicable
 2-67 requirements of any ordinance or resolution that is adopted under
 2-68 Section 54.016 or 54.0165, Water Code, and that consents to the
 2-69 creation of the district or to the inclusion of land in the

3-1 district.

3-2 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

3-3 Sec. 8438.151. ELECTIONS REGARDING TAXES OR BONDS.

3-4 (a) The district may issue, without an election, bonds and other
3-5 obligations secured by:

3-6 (1) revenue other than ad valorem taxes; or

3-7 (2) contract payments described by Section 8438.153.

3-8 (b) The district must hold an election in the manner
3-9 provided by Chapters 49 and 54, Water Code, to obtain voter approval
3-10 before the district may impose an ad valorem tax or issue bonds
3-11 payable from ad valorem taxes.

3-12 (c) The district may not issue bonds payable from ad valorem
3-13 taxes to finance a road project unless the issuance is approved by a
3-14 vote of a two-thirds majority of the district voters voting at an
3-15 election held for that purpose.

3-16 Sec. 8438.152. OPERATION AND MAINTENANCE TAX. (a) If
3-17 authorized at an election held under Section 8438.151, the district
3-18 may impose an operation and maintenance tax on taxable property in
3-19 the district in accordance with Section 49.107, Water Code.

3-20 (b) The board shall determine the tax rate. The rate may not
3-21 exceed the rate approved at the election.

3-22 Sec. 8438.153. CONTRACT TAXES. (a) In accordance with
3-23 Section 49.108, Water Code, the district may impose a tax other than
3-24 an operation and maintenance tax and use the revenue derived from
3-25 the tax to make payments under a contract after the provisions of
3-26 the contract have been approved by a majority of the district voters
3-27 voting at an election held for that purpose.

3-28 (b) A contract approved by the district voters may contain a
3-29 provision stating that the contract may be modified or amended by
3-30 the board without further voter approval.

3-31 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

3-32 Sec. 8438.201. AUTHORITY TO ISSUE BONDS AND OTHER
3-33 OBLIGATIONS. The district may issue bonds or other obligations
3-34 payable wholly or partly from ad valorem taxes, impact fees,
3-35 revenue, contract payments, grants, or other district money, or any
3-36 combination of those sources, to pay for any authorized district
3-37 purpose.

3-38 Sec. 8438.202. TAXES FOR BONDS. At the time the district
3-39 issues bonds payable wholly or partly from ad valorem taxes, the
3-40 board shall provide for the annual imposition of a continuing
3-41 direct ad valorem tax, without limit as to rate or amount, while all
3-42 or part of the bonds are outstanding as required and in the manner
3-43 provided by Sections 54.601 and 54.602, Water Code.

3-44 Sec. 8438.203. BONDS FOR ROAD PROJECTS. At the time of
3-45 issuance, the total principal amount of bonds or other obligations
3-46 issued or incurred to finance road projects and payable from ad
3-47 valorem taxes may not exceed one-fourth of the assessed value of the
3-48 real property in the district.

3-49 SECTION 2. The Harris County Municipal Utility District No.
3-50 534 initially includes all the territory contained in the following
3-51 area:

3-52 BEING a 559.0006 acre tract of land situated in Section 58,
3-53 Block 2 of the H. & T.C.R.R. Company Survey (George Spencer Survey),
3-54 Abstract No.1368 of Harris County, Texas and being all of a called
3-55 240 acre tract of land described in an instrument to Jesse Freeman
3-56 filed for record under Volume 599, Page 501 of the Harris County
3-57 Deed Records (H.C.D.R.) and a portion of a called 320 acre tract of
3-58 land described in an instrument to Jesse Freeman filed for record
3-59 under Volume 3515, Page 383 H.C.D.R. , said 559.0006 acre tract of
3-60 land being more particularly described by metes and bounds as
3-61 follows:

3-62 BEGINNING at a railroad spike in asphalt found in the
3-63 centerline of Katy-Hockley Cut-Off Road (60-foot width) and
3-64 Longenbaugh Road (60-foot width) for the Northeast corner of said
3-65 Section 69 Block 2 of the H. & T.C.R.R. Company Survey Abstract No.
3-66 459, same being the Southwest corner of Section 57, Block 2 of the
3-67 H. & T.C.R.R. Company Survey, Abstract No. 443, the Northwest
3-68 corner of Section 58, Block 2 of the H. & T. C. R.R. Company Survey
3-69 (George Spencer Survey), Abstract No. 1368 and the Southeast corner

4-1 of the J.E. Cabaniss Survey, Abstract No. 1470 which is out of
4-2 Section 70, Block 2 of the H. & T.C.R.R. Company Survey;

4-3 THENCE, N 87° 51' 45" E, a distance of 5,286.01 feet along and
4-4 with the North line of said Section 58, the North lines of said 240
4-5 acre tract and said 320 acre tract, the South line of said Section
4-6 57 and the centerline of said Longenbaugh Road to a 1/2-inch iron
4-7 rod found in asphalt at the centerline intersection of Longenbaugh
4-8 Road (60-foot width) and Porter Road (60-foot width) same being the
4-9 Northeast corner of said Section 58, the Northeast corner of said
4-10 320 acre tract, the Southeast corner of said Section 57, the
4-11 Northwest corner of Section 49, Block 2 of the H. & T.C.R.R. Company
4-12 Survey Abstract No. 441 and the Southwest corner of the J.R. Garrett
4-13 Survey, Abstract No. 1396;

4-14 THENCE, S 02° 02' 45" E, a distance of 5,145.59 feet along and
4-15 with the East line of said 320 acre tract, the East line of said
4-16 Section 58 and the West line of said Section 49 and the centerline
4-17 of said Porter Road (60-foot width) to a point for corner;

4-18 THENCE, S 87° 57' 15" W, a distance of 30.00 feet to a point
4-19 for corner in the West right-of-way line of said Porter Road and
4-20 being the North end of the Northwest cut-back corner at the
4-21 intersection of Farm-to-Market Road 529 (H.C.C.F. No. C254043) and
4-22 Porter Road;

4-23 THENCE, S 43° 18' 01" W, a distance of 134.45 feet along and
4-24 with the Northwest cut-back at the intersection of Farm-to-Market
4-25 Road 529 and Porter Road to a 4"x4" concrete monument found in the
4-26 North right-of-way line of said Farm-to-Market Road 529 (120-foot
4-27 width) for the South corner of said Northwest cut-back;

4-28 THENCE, S 88° 19' 38" W, a distance of 1,847.77 feet along and
4-29 with the North right-of-way line of said Farm-to-Market Road 529
4-30 (120-foot width) to an angle point;

4-31 THENCE, S 87° 54' 38" W, a distance of 677.08 feet along and
4-32 with the North right-of-way line of said Farm-to-Market Road 529 to
4-33 a point for corner in the West line of said 320 acre tract, same
4-34 being the Southeast corner of a called 72.792 acre tract of land
4-35 described in an instrument to FM 529 Cut Off Ltd filed for record
4-36 under Harris County Clerk's File Number (H.C.C.F. No.) 20070284854
4-37 and from which a 5/8-inch iron rod with cap stamped "Kalkomey
4-38 Surveying" bears S 01° 51' 46" E, 0.60 feet;

4-39 THENCE, N 01° 51' 46" W, a distance of 1,223.28 feet along and
4-40 with the East line of said 72.792 acre tract and the West line of
4-41 said 320 acre tract to a 5/8-inch iron rod with cap stamped
4-42 "Kalkomey Surveying" found for the Northeast corner of said 72.792
4-43 acre tract and the Southeast corner of said 240 acre tract;

4-44 THENCE, S 88° 32' 00" W, a distance of 2,635.40 feet along and
4-45 with the North line of said 72.792 acre tract and the South line of
4-46 said 240 acre tract to a point for corner in the centerline of said
4-47 Katy-Hockley Cut-Off Road (60-foot width) being the Southwest
4-48 corner of said 240 acre tract, same being in the West line of said
4-49 Section 58, the East line of said Section 69 and from which a
4-50 5/8-inch iron rod with cap stamped "Kalkomey Surveying" bears N 88°
4-51 32' E, 30.95 feet;

4-52 THENCE, N 02° 06' 22" W, a distance of 3,970.20 feet along and
4-53 with the centerline of said Katy-Hockley Cut-Off Road, the West
4-54 line of said Section 58 and said 240 acre tract and the East line of
4-55 said Section 69 to the POINT OF BEGINNING and containing 559.0006
4-56 acres of land.

4-57 SECTION 3. (a) The legal notice of the intention to
4-58 introduce this Act, setting forth the general substance of this
4-59 Act, has been published as provided by law, and the notice and a
4-60 copy of this Act have been furnished to all persons, agencies,
4-61 officials, or entities to which they are required to be furnished
4-62 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
4-63 Government Code.

4-64 (b) The governor, one of the required recipients, has
4-65 submitted the notice and Act to the Texas Commission on
4-66 Environmental Quality.

4-67 (c) The Texas Commission on Environmental Quality has filed
4-68 its recommendations relating to this Act with the governor, the
4-69 lieutenant governor, and the speaker of the house of

5-1 representatives within the required time.

5-2 (d) All requirements of the constitution and laws of this
5-3 state and the rules and procedures of the legislature with respect
5-4 to the notice, introduction, and passage of this Act are fulfilled
5-5 and accomplished.

5-6 SECTION 4. (a) If this Act does not receive a two-thirds
5-7 vote of all the members elected to each house, Subchapter C, Chapter
5-8 8438, Special District Local Laws Code, as added by Section 1 of
5-9 this Act, is amended by adding Section 8438.106 to read as follows:

5-10 Sec. 8438.106. NO EMINENT DOMAIN POWER. The district may
5-11 not exercise the power of eminent domain.

5-12 (b) This section is not intended to be an expression of a
5-13 legislative interpretation of the requirements of Subsection (c),
5-14 Section 17, Article I, Texas Constitution.

5-15 SECTION 5. This Act takes effect immediately if it receives
5-16 a vote of two-thirds of all the members elected to each house, as
5-17 provided by Section 39, Article III, Texas Constitution. If this
5-18 Act does not receive the vote necessary for immediate effect, this
5-19 Act takes effect September 1, 2013.

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